

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1351100-0

Total Deleted Page(s) = 67

Page 11 ~ Referral/Consult;
Page 12 ~ Referral/Consult;
Page 13 ~ Referral/Consult;
Page 14 ~ Referral/Direct;
Page 34 ~ Referral/Consult;
Page 35 ~ Referral/Consult;
Page 36 ~ Referral/Consult;
Page 37 ~ Referral/Consult;
Page 39 ~ Referral/Consult;
Page 40 ~ Referral/Consult;
Page 41 ~ Referral/Consult;
Page 42 ~ Referral/Consult;
Page 43 ~ Referral/Direct;
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Page 88 ~ Referral/Consult;
Page 90 ~ Duplicate;

Airtel

9/4/79

To: SAC, Cleveland (58-267)

From: Director, FBI (62-117853)

1 - Mr. Keenan

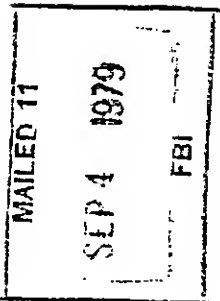
CHIEF JUDGE FRANK J. BATTISTI
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION
ADMINISTRATIVE INQUIRY
OO: CV

Enclosed herewith are two copies of a self-explanatory Departmental memorandum in this matter dated 8/14/79, advising of the Department's decision not to pursue this matter any further.

Accordingly, you may close your file upon receipt of this communication.

Enclosures 2

GHK:lrw
(4)



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Director's Sec'y _____

MAIL ROOM ☐

63 SEP 24 1979

17 SEP 6 1979

FBI/DOJ

CV0974 3200239Z

RR HQ

DE CV

R 150239Z NOV 77

FM CLEVELAND (58-267) P

TO DIRECTOR ROUTINE

BT

CLEAR

GOVERNOR JAMES RHODES, STATE OF OHIO; CHIEF JUDGE FRANK

BATTISTI, NORTHERN DISTRICT OF OHIO, EASTERN DIVISION;

ADMIN. INQUIRY

~~POSSIBLE BRIBERY~~, OO: CLEVELAND.

INFORMATION BROUGHT TO THE ATTENTION OF CLEVELAND BY CLEVELAND ATTORNEY CREDE CALHOUN THAT A POSSIBLE BRIBERY ARRANGEMENT WAS SET UP BETWEEN OHIO GOVERNOR JAMES RHODES AND CHIEF JUDGE FRANK BATTISTI IN THAT RHODES HAS APPOINTED LILLIAN BATTISTI, SISTER OF JUDGE BATTISTI, TO THE POST OF CLEVELAND REGIONAL ORDER OF REVIEW, JUDICIAL APPELLATE BOARD, WORKMAN'S COMPENSATION DIVISION. LILLIAN BATTISTI IS ALLEGEDLY UNQUALIFIED FOR THE POSITION AND HAS BEEN PARTIALLY SUPPORTED BY JUDGE BATTISTI FOR SOME TIME. AT THE TIME OF THE APPOINTMENT

ST-116

DE-67

REC-6

[redacted] CV relief sup.,
contacted 11/16/77 by SA [redacted]
& advised to treat as Admin.
inquiry & send A/T + LHM.

57 DEC 7 1977

NOV 15 9 47 PM '77

RECEIVED
FEDERAL BUREAU
OF INVESTIGATION
COMMUNICATIONS SECTION

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Telephone Rm.	_____
Director's Sec'y	_____

Hershman



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9 NOV 29 1977

STX

LILLIAN BATTISTI WAS EMPLOYED BY A FINANCE COMPANY LOCATED IN FLORIDA.

CONTACTS WITH KEY RHODES OFFICIALS IN COLUMBUS BY CALHOUN INDICATE RHODES DID NOT FOLLOW NORMAL PROCEDURES FOR MAKING SUCH AN APPOINTMENT IN THAT HIS ASSISTANT, TOM MOYER, WHO IS IN CHARGE OF THE ADMINISTRATIVE AGENCIES FOR OHIO, WAS UNAWARE OF THE DETAILS OF THE APPOINTMENT, WHICH WAS HANDLED BY GOVERNOR RHODES HIMSELF. ACCORDING TO CALHOUN, MOYER SHOULD HAVE BEEN MADE AWARE OF ALL SUCH APPOINTMENTS.

ACCORDING TO THE CLEVELAND STRIKE FORCE, JUDGE BATTISTI PRESIDED AT THE KENT STATE TRIAL INVOLVING GOVERNOR RHODES IN WHICH RHODES WAS ACQUITTED IN 1976. THIS SAME MATTER HAS BEEN RECENTLY REOPENED BY THE U.S. SIXTH CIRCUIT COURT OF APPEALS, EXPOSING GOVERNOR RHODES TO CIVIL LIABILITIES.

CALHOUN ADVISED HE INTENDS TO CONTACT VARIOUS INDIVIDUALS CONCERNING THIS MATTER, INCLUDING LILLIAN BATTISTI, ON TUESDAY, NOVEMBER 17, 1977, AND WILL RECONTACT THE CLEVELAND FBI AT THAT TIME. ALSO, ACCORDING TO CALHOUN, [REDACTED]

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[REDACTED]
[REDACTED]
[REDACTED] ADVISED THAT HE COULD FIND NO BACKGROUND INFO CONCERNING THE LILLIAN BATTISTI APPOINTMENT AND HE COULD FIND

CV 58-267

PAGE THREE

CLEAR

NO APPARENT REASON FOR THE APPOINTMENT.

FACTS HAVE BEEN RELAYED TO THE CLEVELAND STRIKE FORCE,
SPECIFIC ATTENTION OF [REDACTED], WHO HAS
REQUESTED THE MATTER BE LOOKED INTO FOR ADDITIONAL INVESTIGATION.
CLEVELAND WILL AWAIT RECONTACT BY CALHOUN ON NOVEMBER 17, 1977
OR NOVEMBER 18, 1977, AND WILL IMMEDIATELY ADVISE BUREAU OF
RESULTS ON LHM.

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BT

#

HOLD

FBI

Date: 11-18-77

Transmit the following in _____
(Type in plaintext or code)Via AIRTEL _____
(Precedence)

TO: DIRECTOR, FBI

FROM: SAC, CLEVELAND (58-267) (P)

RE: "CHANGED"
CHIEF JUDGE FRANK J. BATTISTI
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION;
ADMINISTRATIVE INQUIRY

OO: Cleveland

see index

Title is marked changed to drop Governor JAMES RHODES, State of Ohio, from the title and change investigative classification from POSSIBLE BRIBERY to an ADMINISTRATIVE INQUIRY.

Re telephone call from Bureau Supervisor GEORGE KEENAN on 11-16-77; and Cleveland teletype to the Bureau, 11-15-77.

Enclosed for the Bureau is the original and three copies of a letterhead memorandum setting forth allegations of possible improprieties involving a relationship of Ohio Governor JAMES RHODES and Chief Judge FRANK J. BATTISTI.

Information set forth in referenced teletype concerning Judge BATTISTI presiding over the Kent State trial involving Governor RHODES was found to be in error. Judge BATTISTI did initially receive the case, but subsequently reassigned it to Judge DON J. YOUNG in Toledo, Ohio.

- ② - Bureau (Enc. 4)
2 - Cleveland
FHG:sic
(4)

ENCLOSURE

2 - AAG, Crim, by O-6B,
11/22/77, Off Keenan

① - Tucker

G.H.K. 11/22/77

2 NOV 1977

Approved: *57 DEC 7 1977*
Special Agent in Charge

Sent _____ M Per _____

It should be noted that the source of information set forth in attached LHM, CREDE CALHOUN, has supplied information which was brought to his attention by numerous individuals. At the time of this airtel no efforts have been made to interview the individuals identified by CALHOUN as his sources; therefore, CALHOUN's information has not been corroborated.

However, CALHOUN advised Bureau Agents of a case that has been brought against him by the Disciplinary Council of the Supreme Court of Ohio concerning a letter written by CALHOUN to the "Plain Dealer" in 1976. CALHOUN stated that he does not know the name of the individual bringing suit against him, nor does he know the representative on the Disciplinary Council who is handling the suit. CALHOUN stated that he has requested the identity of such individuals from the Disciplinary Council, but has been refused. CALHOUN stated that he testified before the Controlling Board of Ohio in Columbus, which consisted of House and Senate members, concerning an Emergency Appropriation Board which was requesting \$500,000 to be appropriated for investigators to come to Cleveland to investigate Workmen's Compensation fraud involving fictitious companies and fictitious claims being levied against the Workmen's Compensation Fund.

CALHOUN stated that the financial reports prepared by Woodward and Fondillar, Certified Public Accountants, out of New York City, reports of Booz Allen Actuarial Management Specialists of California, and reports prepared by Ernst and Ernst of Ohio indicated that a one billion dollar deficit existed in the Workmen's Compensation Fund in the State of Ohio. This information was brought to the attention of Governor RHODES for disclosure; however, the matter was concealed and covered up. CALHOUN stated that his letter to the "Plain Dealer" in October of 1976 set forth the condition of the Workmen's Compensation Fund and that he requested the "Plain Dealer" print the letter. He was told by the "Plain Dealer" that the letter would not be printed, at which time CALHOUN stated that he made the information public in a speech given by him at the City Club in Cleveland, Ohio, and that this speech apparently was the basis for the suit brought against him by the Disciplinary Council of the Supreme Court.

CV 58-267

CALHOUN stated that approximately four or five months subsequent to his disclosure at the City Club in Cleveland, reports of widespread Workmen's Compensation fraud were printed all over the newspapers.

It should be noted that the widespread coverage of the Workmen's Compensation fraud mentioned by CALHOUN did, in fact, take place in the Cleveland newspapers during the first several months of 1977, which resulted in over 200 indictments. CALHOUN has also been able to back up his claims of fund deficits and subsequent concealments from documentation in his possession concerning audit reports and auditor contracts which specifically restricted the auditor's examination by withholding pertinent statistical data from the auditors.

The Bureau is requested to advise Cleveland of the investigative authority to be granted in regards to the above matter.



UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

In Reply, Please Refer to
File No.

Cleveland, Ohio

November 18, 1977

CHIEF JUDGE FRANK J. BATTISTI
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION
ADMINISTRATIVE INQUIRY

On November 15, 1977, CREDE C. CALHOUN advised that a possible impropriety has occurred involving a relationship between Ohio Governor JAMES RHODES and Chief Judge FRANK J. BATTISTI in that Governor RHODES has appointed LILLIAN BATTISTI, youngest sister of Judge BATTISTI, to the Judicial Appellate Board of the Cleveland Regional Order of Review, which is part of the Ohio Bureau of Workmen's Compensation.

The position currently held by LILLIAN BATTISTI is one of a three-member board which is responsible for hearing appeals on complaints previously argued before the Workmen's Compensation Board. The other board members consist of GUERIN BUONPANE, Attorney; and [REDACTED]

[REDACTED] BUONPANE holds the position of Director of the Board.

CALHOUN advised that LILLIAN BATTISTI was supposedly employed by a finance company in Florida shortly before or at the time of her appointment. He also stated that he has heard that Judge BATTISTI had been assisting in the support of LILLIAN for some time. [REDACTED]

[REDACTED] associated with the Ohio Self Insurers Group, a group of employers represented by LILLIAN BATTISTI in her position, advised CALHOUN that LILLIAN BATTISTI only has a high school education and has worked briefly in the past in the Federal Probate Court in Youngstown, Ohio, and in Judge BATTISTI's law firm. LILLIAN claimed to have a legal background established through work performed in her brother's law firm and not from her employment in Youngstown.

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This document contains neither
recommendations nor conclusions of
the FBI. It is the property of
the FBI and is loaned to your agency;
it and its contents are not to be
distributed outside your agency.

62-117253-2
ENCLOSURE

RE: CHIEF JUDGE FRANK J. BATTISTI
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION
ADMINISTRATIVE INQUIRY

CALHOUN advised that he confronted LILLIAN BATTISTI very briefly on November 17, 1977, concerning her qualifications to hold a position on the Judicial Appellate Board. LILLIAN BATTISTI advised CALHOUN that her background information is on an application in Governor RHODES' office and that she did not have to answer any of his questions.

[redacted]
[redacted] in Cleveland, Ohio, advised CALHOUN that he had been advised by [redacted]
[redacted] in Columbus, Ohio, that ROY MARTIN, an administrative assistant to Governor RHODES, "calls the shots" on appointments in the RHODES administration. According to information supplied to [redacted] by MARTIN, the recent appointment of LILLIAN BATTISTI was a "sweetheart deal between Governor RHODES and Judge BATTISTI" and that he, MARTIN, knew nothing about the appointment at all. [redacted] also advised CALHOUN that he heard that the LILLIAN BATTISTI appointment may have been for past favors from Judge BATTISTI; however, [redacted] did not identify his source of that information to CALHOUN.

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THOMAS MOYER, Administrative Assistant to Governor RHODES in charge of Ohio's administrative agencies, advised CALHOUN that he was unaware of any of the details surrounding the LILLIAN BATTISTI appointment which was handled by Governor RHODES himself. According to CALHOUN, MOYER should have been made aware of such an appointment and it was very unusual that both MOYER and MARTIN were unaware of the details of the appointment.

[redacted]
[redacted] advised CALHOUN that he could find no background information concerning the LILLIAN BATTISTI appointment and that he could find no apparent reason for the appointment.

RE: CHIEF JUDGE FRANK J. BATTISTI
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION
ADMINISTRATIVE INQUIRY

According to CALHOUN, LILLIAN BATTISTI will be replacing [redacted] on the Judicial Appellate Board. [redacted] received his appointment to the Board in 1972 from former Ohio Governor JOHN GILLIGAN. At the time [redacted] received his appointment he was [redacted]

[redacted] Cleveland, Ohio, advised CALHOUN that he had been advised by [redacted] that [redacted] was interested in the position received by LILLIAN BATTISTI. [redacted] met with [redacted] in Columbus, Ohio, one week before the appointment and [redacted] told [redacted] that he, [redacted] would be the next Judicial Appellate Board member in Cleveland. According to CALHOUN, [redacted] is a straight-forward, "no games" type of individual who would not make such a statement as made to [redacted] unless sure of his facts.

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Also, according to CALHOUN, another Cleveland attorney, NAT LEFTON, who was interested in the open position, was told by the Cuyahoga County Republican Chairman, ROBERT HUGHES, before LILLIAN BATTISTI received the appointment, that he, LEFTON, need not apply for the position because that job was already taken.

GUERIN BUONPANE advised CALHOUN that his salary as Chairman of the Judicial Appellate Board amounts to approximately \$14,000 a year, and that he works full time as such. BUONPANE further advised that [redacted] draws a salary of approximately \$20,000 a year for a full-time position on the Judicial Appellate Board and that LILLIAN BATTISTI is currently drawing a salary of \$23,000 a year.

[redacted] of the Cleveland Strike Force, has been advised of the above facts and has requested additional investigation into the matter.

Airtel

12-30-77

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pl
To: SAC, Cleveland (58-267)

From: Director, FBI

O
CHIEF JUDGE FRANK J. BATTISTI
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION;
ADMINISTRATIVE INQUIRY
OO: Cleveland

Re
Re Cleveland airtel dated 11-18-77.

Enclosed is one copy of a letter from the Assistant Attorney General, Criminal Division, dated 12-27-77, for information.

Enc.

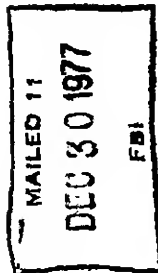
ST 109 REC-45 62-117853-4

11 JAN 3 1978

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Director's Sec'y _____

JRB:hjs

(4) *hjs*



118
57 JAN 13 1978

MAIL ROOM

TELETYPE UNIT ☐

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ Airtel

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ ~~TOP SECRET~~
☐ ~~SECRET~~
☐ ~~CONFIDENTIAL~~
☐ ~~EFTO~~
☐ CLEAR

Date 1/18/78

TO: DIRECTOR, FBI (62-117853)
 FROM: *SAH* SAC, CLEVELAND (58-267) (P)
 RE: CHANGED
JAMES A. RHODES,
Governor, State of Ohio
BRIBERY; RICO
 OO: CLEVELAND

Title marked changed to delete the name of Chief Judge FRANK BATTISTI, Northern District of Ohio, Eastern Division and to add the subject JAMES A. RHODES, Governor, State of Ohio, and to add the violation of RICO.

Re Cleveland telcall to Bureau Supervisor GEORGE KEENAN, 1/3/78, and Bureau airtel to Cleveland, 12/30/77.

Captioned matter is currently being investigated as a second violation necessary to complete a RICO charge against Governor JAMES A. RHODES. Prior investigation by the Detroit, Cincinnati and Cleveland offices established allegations through source information that RHODES was involved in the commutation of the sentence of [redacted] at the behest of JAMES T. LICAVOLI, LCN boss of Northern Ohio, a matter which predates a 5-year statute of limitations. The current matter involves a defrauding of the citizens of Ohio of good and faithful services by virtue of bribery in connection with the appointment of LILLIAN BATTISTI, sister of Chief Judge FRANK J. BATTISTI, to the post of Judicial Appellate Board, Workmen's Compensation Division in Cleveland, Ohio.

④ - Bureau
 2 - Cleveland

FHG:tmw

(6)

Approved: 58 FEB 6 1978 Transmitted

(Number)

(Time)

Per *[Signature]*

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7 JAN 25 1978

The matter has been discussed with the Cleveland Strike Force [redacted] and [redacted] and both have expressed their desire for the matter to be pursued to a logical conclusion. The Strike Force requested to be advised of each and every step of the investigation and have advised that prosecution would be authorized should sufficient evidence be accumulated to substantiate a charge.

ADMINISTRATIVE

Chief Judge FRANK J. BATTISTI has been of particular interest to the Cleveland Division and the Cleveland Strike Force due to his alleged involvement in a bribery matter encompassing the [redacted] and [redacted] Federal bank fraud trial in February, 1977. [redacted] and [redacted] were tried before Judge NICHOLAS J. MANOS. Information supplied to the Cleveland Strike Force indicated that several days prior to the acquittal of [redacted] in that trial, Cleveland attorney [redacted] civil attorney for [redacted] and [redacted] advised an Internal Revenue Agent that a deal had been made with FRANK J. BATTISTI at the Theatrical Restaurant in Cleveland, Ohio, in that BATTISTI would control the case and would direct Judge MANOS to render judgments of acquittal for [redacted] and [redacted]

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[redacted] Newark file number [redacted] and Cleveland file number [redacted] advised Newark Agents that during a conversation between himself and [redacted] advised him that: he was found guilty of conspiracy in the Northern Ohio Bank case and that it was ridiculous because the judge returned a directed verdict of acquittal to the co-defendant. It was ridiculous because how can you have a conspiracy with one guy. [redacted] also stated to [redacted] "The judge was supposed to give me the same thing but at the last minute he got cold feet."

[redacted] continued that he is not absolutely sure but remembers [redacted] telling him that it costs me [redacted] \$50,000 and the judge did not do what he was supposed to do. [redacted] also stated that with prior

CV 58-267

conversations with [REDACTED] he claimed that judges have been taken care of in cases which were related to [REDACTED]

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Also, an extra copy of this communication has been furnished to the Bureau per the request of Bureau Supervisor GEORGE KEENAN in order that appropriate dissemination to the U.S. Department of Justice, Public Integrity Section can be made.

SAC, Cleveland (58-267)

1/24/78

1 - FOF

Director, FBI (62-117853)

JAMES A. RHODES,
GOVERNOR, STATE OF OHIO
BRIBERY; CONFLICT OF INTEREST
OO: CLEVELAND

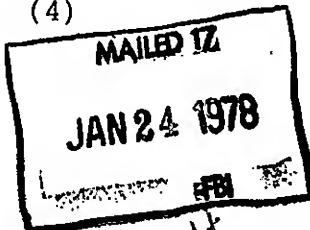
Reurairtel, 1/16/78, and telcal to Bureau, 1/6/78.

In your referenced airtel you state that a RICO charge against Rhodes is based on the commutation of the sentence of [redacted] and the appointment of Lillian Battisti. Since the former offense is no longer prosecutable due to the running of the statute of limitations and the latter has been reviewed and rejected by the Justice Department, it would appear that a RICO charge against Rhodes based on such offenses would be rather difficult to sustain. The matter involving the sentencing of [redacted] by Judge Manos is being carried as a separate case and does not appear to relate to Rhodes.

In the referenced telcal, SA [redacted] Cleveland, advised that there were other allegations or suspected violations by Judge Battisti and Governor Rhodes, and that the Strike Force Chief at Cleveland had requested the FBI to continue this investigation as a Bribery/ Conflict of Interest matter. SA [redacted] was instructed to submit four copies of an LHM to the Bureau setting forth all known facts and indicating that a Bribery/Conflict of Interest case was being initiated re Rhodes at the request of the Strike Force. SA [redacted] was instructed further to set out the complete background of all allegations against Battisti in the cover letter or airtel. In response to the above instructions, no additional background information was furnished to justify continuing this case, no LHM was

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Director's Sec'y _____

GHK:msj (4)



EX-106

SEE NOTE PAGE 2

REC-94

62-117853-6

23 JAN 25 1978

58 FEB 6 1978

TELETYPE UNIT ☐

FBI/DOJ

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Letter to SAC, Cleveland
RE: JAMES A. RHODES

submitted with the requested facts and request by the Strike Force, and, instead, the Bureau was supplied with four copies of reairtel to disseminate.

In view of the above, the Bureau feels that this case should be closed at once. If Cleveland feels differently, submit an LHM as previously instructed with full justification as to why an expired matter and a declined matter should be further pursued.

NOTE: Above referenced Cleveland telcal to Bureau received at FBIHQ by SA George H. Keenan from SA [REDACTED] This matter was originally opened by Cleveland as a bribery case against Chief Judge Battisti and was changed on Bureau instructions to an Administrative Inquiry. The Public Integrity Section reviewed same and recommended that the investigation be terminated, but Cleveland insisted and insured that there was more to the matter than had been reported to the Bureau. Cleveland was thereupon instructed to submit all information in LHM form, but instead submitted referenced airtel containing no new or additional information.

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FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ Airtel

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ ~~TOP SECRET~~
☐ ~~SECRET~~
☐ ~~CONFIDENTIAL~~
☐ ~~E F T O~~
☐ CLEAR

Date 2/2/78

TO: DIRECTOR, FBI (62-117853)
 FROM: *scf* SAC, CLEVELAND (58-267) (P)
 RE: JAMES A. RHODES
 GOVERNOR, STATE OF OHIO
 BRIBERY
 RICO
 OO: CV

Re Cleveland telcall to Bureau Supervisor, 2/1/78;
 Bureau letter to Cleveland 1/24/78 *re 14*

For the information of the Bureau, Cleveland Strike Force [REDACTED] advised on 2/2/78 that the captioned matter is to be discussed between himself and the Department of Justice in the next couple of weeks and that a mutual decision as to the prosecutive merit of the matter will be reached at that time. [REDACTED] requested any investigation in the matter be held in abeyance pending the outcome of the prosecutive decision.

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In view of the above, no further communications regarding the matter will be sent to the Bureau until such time as the Cleveland Strike Force advises Cleveland as to the decision reached between the Cleveland Strike Force and the Department of Justice, UACB.

2 - Bureau
 2 - Cleveland

FHG/cac
 (4)

REC-13

EX-124

FEB 6 1978

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56 FEB 7 1978

Approved: _____

Transmitted _____

(Number)

(Time)

Per _____

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ Airtel

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ ~~TOP SECRET~~
☐ ~~SECRET~~
☐ ~~CONFIDENTIAL~~
☐ ~~EFTO~~
☐ CLEAR

Date 3/13/78

TO: DIRECTOR, FBI (62-117853)

FROM: SAC, CLEVELAND (58-267) (C)

RE: JAMES A. RHODES,
 Governor, State of Ohio
 BRIBERY; RICO

OO: Cleveland

Re Cleveland airtel to the Bureau, 2/2/78, and
 Cleveland airtel to the Bureau, 1/18/78.

Enclosed for the Bureau are four copies of an LHM
 reflecting 1/19/78 interview of [redacted] and 1/18/78
 newspaper article.

For the information of the Bureau, Cleveland Strike
 Force [redacted] advised on 3/8/78 that contact
 with the Department of Justice was made on 3/8/78 without a
 definite agreement reached regarding the prosecutive direction
 of the captioned matter. Additional discussions regarding the
 above matter are to occur in the future in which top Justice
 officials are to be requested by [redacted] to re-evaluate the
 Department's initial prosecutive stance on this matter. Due
 to an apparent lengthy process necessary to reach a final
 prosecutive decision regarding this matter and due to the
 possibility further investigation may not be authorized,
 this matter is being closed. Should further investigation
 be requested, the matter will be reopened at that time.

EX-110 REC-79 ADMINISTRATIVE

62-117853-8 MAR 16 1978

2 - Bureau (Enc. 4)
 1 - Cleveland

FHG/ms
 (3)

ENCLOSURE

2 - AAG Crim

by 0-6B

Room 5150
 3/20/78
 ghr/df

Approved: 198

58 APR 7 1978

Transmitted

(Number)

(Time)

Per

CV 58-267

The interview of [REDACTED] as set forth in enclosed LHM, took place subsequent to Cleveland airtel to the Bureau dated 1/18/78. At the time of the interview, Cleveland, at the suggestion of the Bureau, was investigating the matter as a substantive bribery matter and as part of a RICO investigation as set forth in the 1/18/78 airtel. The enclosed LHM completes the summary of all investigation by Cleveland regarding the matter. Four copies of the LHM are being sent per the request of the Bureau and dissemination of the LHM is being left to the discretion of the Bureau.

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b7c



UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

In Reply, Please Refer to
File No.

Cleveland, Ohio

March 13, 1978

JAMES A. RHODES,
Governor, State of Ohio

BRIBERY; RACKETEER INFLUENCED & CORRUPT ORGANIZATIONS

On January 19, 1978, [redacted]
[redacted] Bureau of Workmen's Compensation, Cleveland,
Ohio, was interviewed by the Federal Bureau of Investigation
regarding his knowledge of the LILLIAN BATTISTI appointment
to the Judicial Appellate Board of the Cleveland Regional
Order of Review, which is part of the Workmen's Compensation
Bureau.

[redacted] advised that he was aware that a position on
the Judicial Appellate Board would become available inasmuch
as the positions on the Board were for six-year terms and
the employer's representative position on the Board would
end its term in late 1977. Between April, 1977, and
September, 1977, he talked with several individuals on the
Industrial Commission of Ohio and to ROBERT HUGHES, Cuyahoga
County Republican Chairman, concerning his interest in the
opening. The Industrial Commission is the adjudicative arm
of the Ohio Bureau of Workmen's Compensation.

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The Industrial Commission consists of [redacted]
[redacted] LEONARD LANCASTER, and [redacted]
USSAI advised that he was told by the members that they had
no objections to him taking the open position on the
Judicial Appellate Board. [redacted] and LANCASTER specifically
advised him that they would like him in the position and
that if Governor JAMES A. RHODES were to have asked them for
a recommendation as to who should fill the position they
would have recommended [redacted]

[redacted] has considerable political power in the
state and considerable influence with Governor RHODES.
[redacted] law firm represented Governor RHODES in the Kent



ENCLOSURE

62-117853-8

RE: JAMES A. RHODES,
Governor, State of Ohio

State trial, and [] believes [] personally handled a great deal of legal work.

In his talk with ROBERT HUGHES, [] expressed his interest in the upcoming opening on the Judicial Appellate Board sometime in August or September, 1977. HUGHES told him that another person was to fill the vacancy and that USSAI could not be considered. HUGHES also told him that [] of the Workmen's Compensation Bureau, [] may be replaced due to some problems in the Bureau and that [] might replace [] and that this was also a reason [] would not be considered for the opening on the Judicial Appellate Board. The matter involving the possible replacement of [] was cleared up two weeks before LILLIAN BATTISTI's appointment, and it was decided [] would not be removed.

[] asked HUGHES who would be filling the upcoming vacancy of the Judicial Appellate Board, and HUGHES replied that the Governor is the one making the selection and HUGHES refused to divulge the name of the appointee.

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[] advised that he has worked for the Bureau of Workmen's Compensation since he graduated from college and has considerable knowledge in the Workmen's Compensation field. Another individual interested in the Judicial Appellate Board opening, NAT LEFTON, also has a very good understanding of Workmen's Compensation. An individual on the Board must have a thorough understanding of the Workmen's Compensation field because incompetence in the field jeopardizes the Workmen's Compensation fund, which has a balance of over \$2 billion. The open position on the Board does not require a legal background; however, the Chairman's position should have a legal background. Of the other two positions on the Board, one representing labor and one representing employers, LILLIAN BATTISTI filled the position representing employers.

According to [] the word he has heard is that LILLIAN BATTISTI had absolutely no experience in the Workmen's Compensation field and that she knew nothing about the field at all. Additionally, he has heard that LILLIAN BATTISTI is

RE: JAMES A. RHODES,
Governor, State of Ohio

only a high school graduate. Because of the complex nature of Workmen's Compensation and because of the information that LILLIAN BATTISTI was not qualified for the position, [] stated he was very disappointed with the appointment. Also, everyone he has talked to about the LILLIAN BATTISTI matter either has no information on the matter or avoids the issue.

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The position filled by LILLIAN BATTISTI should normally have been filled from either recommendations of ROBERT HUGHES or based on Governor RHODES' own choice. The normal procedures would also have required recommendation of Industry in the area due to the fact that the position represents employers on the Board. ROY MARTIN would collate the information for the Governor and would also include a recommendation as to the qualifications of those considered for the position. [] advised he is unaware of any industry recommendations for LILLIAN BATTISTI but that any recommendations made would be in her personnel folder in the State Capitol office.

On January 18, 1978, a newspaper article printed in "The Cleveland Press" indicated that an attorney for Governor RHODES had asked the Supreme Court to revise an Appeals Court ruling which ordered RHODES to be retried in a civil suit stemming from the killing of four Kent State University students by National Guardsmen. The article went on to report the U.S. Sixth Circuit Court of Appeals ordered RHODES and other defendants to stand trial again because the trial court in Cleveland failed to "deal properly with extraneous influences on the jury" that had acquitted the defendants.

This document contains neither
recommendations nor conclusions of
the FBI. It is the property of
the FBI and is loaned to your agency;
it and its contents are not to be
distributed outside your agency.

SAC, Cleveland (58-267)

2/1/79

Director, FBI (62-117853)

1 - Mr. Jones

mg
~~CHIEF JUDGE~~
~~FRANK J. BATTISTI,~~
~~NORTHERN DISTRICT OF OHIO,~~
~~EASTERN DIVISION~~
ADMINISTRATIVE INQUIRY
OO: CLEVELAND

Enclosed for Cleveland are two copies of a letter to the Director, FBI, from Philip B. Heymann, AAG, Criminal Division, U.S. Department of Justice, dated 1/19/79.

As Cleveland will note, the Department has authorized the interviews of five additional individuals relative to captioned matter. Cleveland should also note that the Department has indicated that the investigation should be limited to the interviews of the five individuals named in the enclosure. *(OK)*

Enclosures - 2

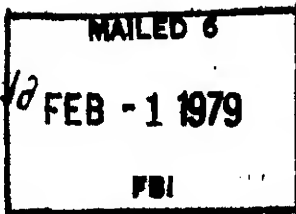
TFJ: *TFJ* (4)

EX-121

REC-9
62-117853-12

FEB 2 1979

Asst. Dir. _____
Dep. AD Adm. _____
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Tech. Servs. _____
Training _____
Public Affs. Off. _____
Telephone Rm. _____
Director's Sec'y _____



MAIL ROOM ☒

70 MAR

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REC-9
FEB 1 1979

FBI

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☐ Airtel

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ ~~TOP SECRET~~
☒ ~~SECRET~~
☒ ~~CONFIDENTIAL~~
☐ ~~E F T O~~
☐ CLEAR

Date 2/21/79

AIRTEL

TO: DIRECTOR, FBI (62-117853)
 FROM: SAC, CLEVELAND (58-267) (P)

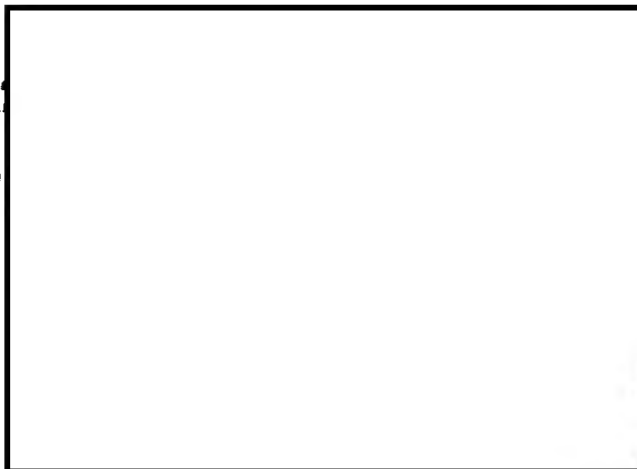
CHIEF JUDGE FRANK J. BATTISTI,
 NORTHERN DISTRICT OF OHIO,
 EASTERN DIVISION
 ADMINISTRATIVE INQUIRY
 OO: Cleveland

Re Bulet to Cleveland, 2/1/79.

Enclosed for the Bureau are four copies of a self-explanatory LHM.

The enclosed LHM identifies individuals who Cleveland feels would be able to provide assistance regarding this matter. Those individuals are:

THOMAS MOYER, Administrative Assistant to Governor RHODES



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Cleveland also feels that

should be subpoenaed at this time.

Also,

2 - Bureau (Enc. 4)
 2 - Cleveland

ENCLOSURE

57 APR 1 1979
 Approved: [Signature]

Transmitted

(Number)

(Time)

Per [Signature]

CV 58-267

[redacted] should also be subpoenaed from [redacted]
[redacted]

The Bureau is requested to obtain authority to
interview the above-named individuals and to obtain authorization
to utilize the Federal Grand Jury, Cleveland, Ohio, to
subpoena [redacted]

[redacted] from [redacted]

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UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

In Reply, Please Refer to
File No.

Cleveland, Ohio

February 21, 1979

CHIEF JUDGE FRANK J. BATTISTI,
NORTHERN DISTRICT OF OHIO,
EASTERN DIVISION
ADMINISTRATIVE INQUIRY

Attached as a part of the letterhead memorandum
are five (5) FD-302s reflecting interviews of GUERIN BUONPANE,
[redacted] NAT LEFTON and [redacted]

In summary, the information supplied by the above-
named individuals indicates that LILLIAN BATTISTI received an
appointment to the Judicial Appellate Board for a six-year
term and that she did not have the statutorily required
background for that position.

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The suspicions of BUONPANE, [redacted] and [redacted]
relating to the appointment of LILLIAN BATTISTI were that the
appointment made by Governor JAMES A. RHODES was to influence
Chief Federal Judge FRANK J. BATTISTI, LILLIAN's brother, in
his assignment of the Kent State matter which had been
remanded back to the Northern District of Ohio by the U.S. Sixth
Circuit Court of Appeals. [redacted] further specified that he
suspected that Judge BATTISTI was to delay the assignment of
the Kent State matter in order that the trial would be delayed
until after the next general election.

A chronological summary of the above matter is as
follows:

September 12, 1977

U.S. Sixth Circuit Court of
Appeals reversed ARTHUR KAUSE,
Et Al, v. JAMES A. RHODES, Et Al
(Kent State) and remanded the
case back to the Northern District
of Ohio.

October, 1977

LILLIAN BATTISTI received her
appointment to the Judicial
Appellate Board.

September 27, 1978

Chief Judge FRANK J. BATTISTI
assigned the Kent State matter to
Judge THOMAS and placed on the
Judge's December, 1978 docket.



ENCLOSURE

62-117200-13

RE: CHIEF JUDGE FRANK J. BATTISTI, NORTHERN DISTRICT
OF OHIO, EASTERN DIVISION; ADMINISTRATIVE INQUIRY

November 7, 1978

General elections held;
Governor JAMES A. RHODES
re-elected.

December 4, 1978

The first jurors are called
to hear the Kent State retrial.

1 - Mr. Jones

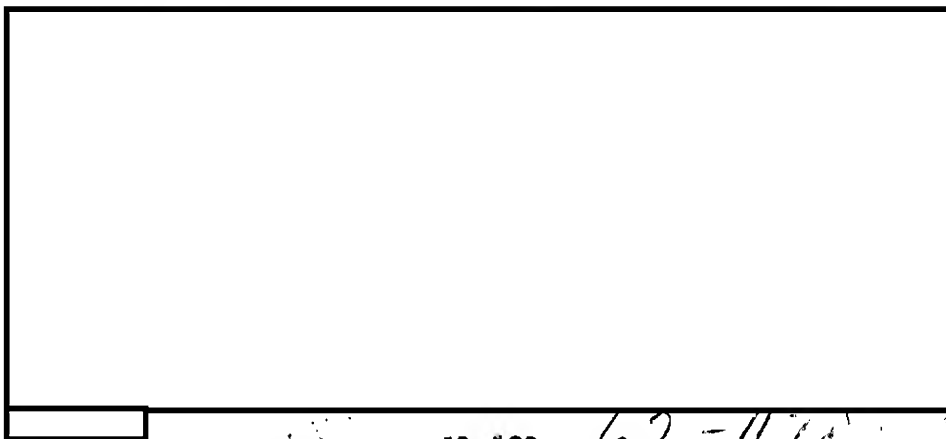
March 13, 1979

CHIEF JUDGE FRANK J. BATTISTI,
NORTHERN DISTRICT OF OHIO,
EASTERN DIVISION
ADMINISTRATIVE INQUIRY

Please find enclosed two copies of a self-explanatory memorandum prepared by our Cleveland, Ohio, Field Division. Said memorandum is dated February 12, 1979.

As a result of the interviews conducted by Cleveland, Ohio, the results are contained in the above-mentioned memorandum, they are of the opinion that the interview of the following individuals would be able to provide assistance regarding this investigation:

Thomas Moyer, Administrative Assistant to
Governor Rhodes



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REC-120 62-117853-14
Please advise if authorization is given to
interview the above individuals.

Assoc. Dir. _____
Dep. AD Adm. _____
Dep. AD Inv. _____
Asst. Dir.:
Adm. Servs. _____
Crim. Inv. _____
Ident. _____
Intell. _____
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Legal Coun. _____
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Training _____
Public Affs. Off. _____
Telephone Rm. _____
Director's Sec'y _____

Enclosures 2

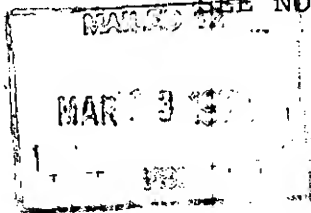
Bufile 62-117853

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(4)

MAIL ROOM

SEE NOTE PAGE 2



MAR 13 1979

CHIEF JUDGE FRANK J. BATTISTI,

NOTE: Original and one Public Integrity Section, United States
Department of Justice, via 0-6 on 3/13/79.

FBI

TRANSMIT VIA:

☐ Teletype☐ Facsimile☐ _____

PRECEDENCE:

☐ Immediate☐ Priority☐ Routine

CLASSIFICATION:

☐ ~~TOP SECRET~~☐ ~~SECRET~~☐ ~~CONFIDENTIAL~~☐ UNCLAS ~~EFTO~~☐ UNCLAS

AIRTEL

Date 5/8/79

TO: DIRECTOR, FBI (62-117853)

FROM: *C/AM* SAC, CLEVELAND (58-267) (P)

CHIEF JUDGE FRANK J. BATTISTI,
NORTHERN DISTRICT OF OHIO,
EASTERN DIVISION
ADMINISTRATIVE INQUIRY
OO: Cleveland

Re Cleveland airtel to Bureau, 2/21/79.

Enclosed for the Bureau are four copies of a
self-explanatory LHM.

Incorporated into the LHM are six FD-302s. One
FD-302 reflected an interview of a [redacted]

[redacted] Shortly
after [redacted] in Columbus, Ohio, was interviewed, [redacted]
telephoned SA [redacted] and advised that he, [redacted] had
received a personal telephone call from Governor JAMES A.
RHODES. RHODES commented to [redacted] that he understood some
people had been asking questions about him, RHODES, and RHODES
wanted to know who it was. [redacted] advised RHODES that two
FBI Agents had questioned him. RHODES then stated he knew
the FBI had questioned [redacted] and that he wanted to know the
names of the Specific Agents asking the questions. [redacted]
supplied the names of SA [redacted] Cleveland,
and SA [redacted] Columbus Resident Agency, to RHODES.

[redacted] also advised SA [redacted] that THOMAS MOYER,
(also interviewed - see enclosed LHM), was also contacted
by Governor RHODES and apparently asked the names of the
specific Agents conducting the questioning. SAs [redacted]
and [redacted] Cleveland, conducted the interview of MAY 14 1979
MOYER.

Cleveland is uncertain as to the reason Governor
RHODES requested the specific names of the FBI Agents
investigating him; however, SA [redacted] will debrief his

2 - Bureau (Enc. 4)

2 - Cleveland

ENCLOSURE

2 - AAG Crime
VIA OG B

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Per

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[redacted] in detail in the next couple of weeks to determine if any intimidation occurred and if RHODES explained the necessity to have the investigating Agents' names.

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Cleveland feels that the investigation has reached a point where a detailed interview of LILLIAN BATTISTI, Chief Judge FRANK J. BATTISTI and ROY MARTIN is necessary at this time. The nature of the investigation itself is known to FRANK and LILLIAN BATTISTI and to Governor RHODES.

The interview of ROY MARTIN is expected to produce the background data which was available to Governor RHODES at the time of the appointment. It is anticipated that the background data, or lack thereof, will in part assist in establishing the allegation that the appointment by RHODES was merely an attempt to curry favor with Judge BATTISTI with regards to the assignment of the Kent State retrial. It is anticipated that the interview of Judge BATTISTI will establish that Judge Battisti and Governor RHODES were not only opposites in political faith, but were personal enemies, establishing that the appointment of LILLIAN BATTISTI was not one of political repayment or of personal friendship. It is anticipated the interview of LILLIAN BATTISTI will also establish this fact.

Cleveland anticipates a Federal Grand Jury subpoena for [redacted] [redacted] will be necessary to secure [redacted]
[redacted]

The Bureau is requested to obtain authority to interview ROY MARTIN, LILLIAN BATTISTI and Chief Judge FRANK J. BATTISTI and to obtain authority to subpoena the above-described [redacted]

b3

1 - Mr. Jones

FEDERAL GOVERNMENT

June 4, 1979

CHIEF JUDGE FRANK J. BATTISTI,
NORTHERN DISTRICT OF OHIO,
EASTERN DIVISION
ADMINISTRATIVE INQUIRY

Please find enclosed two copies of a self-explanatory Letterhead Memorandum prepared by our Cleveland, Ohio, Field Division dated 5/8/79.

As a result of the interviews conducted, the results are contained in the above-mentioned memorandum. Cleveland is of the opinion that the investigation has reached a point where a detailed interview of Lillian Battisti, Chief Judge Frank J. Battisti and Roy Martin is necessary at this time. For your information, the nature of the investigation itself is known to both Frank and Lillian Battisti as well as Governor James A. Rhodes.

Cleveland believes the interview of Roy Martin will produce the background data which was available to Governor Rhodes at the time of Lillian Battisti's appointment. It is anticipated that the background data, or lack thereof, will in part assist in establishing the allegation that the appointment by Rhodes was merely an attempt to curry favor with Judge Battisti with regards to the assignment of the Kent State retrial.

The interview of Judge Battisti should establish that Judge Battisti and Governor Rhodes were opposites in political faith, therefore, establishing that the appointment of Lillian Battisti was not one of political repayment. The interview of Lillian Battisti should also establish that fact.

Cleveland anticipates a Federal Grand Jury subpoena for the original application and biographical background sheet of Lillian Battisti will be necessary to secure the records from Roy Martin.

Please advise if authorization is given to interview the above individuals.

Enclosures 2

TFJ:lrw (4)

NOTE: Original and one PIS, USDJ., via 0-6, 6/4/79.

MAILED 14
JUN 05 1979
FBI

Assoc. Dir. _____
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Director's Sec'y _____

REC-138

11 JUN 7 1979

61 JUL 02 1979



UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

In Reply, Please Refer to
File No. 58-267

Cleveland, Ohio

June 29, 1979

Chief Judge FRANK J. BATTISTI,
Northern District of Ohio,
Eastern Division
ADMINISTRATIVE INQUIRY

Attached as part of the letterhead memorandum
are the results of interviews of [REDACTED] and LILLIAN
BATTISTI.

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ENCLOSURE

62-117853-18

Page 91 ~ Duplicate;
Page 92 ~ Duplicate;
Page 93 ~ Duplicate;
Page 94 ~ Duplicate;
Page 95 ~ Duplicate;
Page 96 ~ Referral/Consult;
Page 97 ~ Referral/Consult;
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